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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	:	
	:	
In re:	:	Chapter 11
	:	
DELPHI CORPORATION , et al.,	:	Case No. 05-44481 (RDD)
	:	(Jointly Administered)
Debtors.	:	
	:	Hon. Robert D. Drain
-----X	:	

**Valeo, Inc. and its Affiliate's Limited Objection and Reservation of
Rights to Notice of Assumption and Assignment with Respect to Certain
Executory Contracts or Unexpired Leases to be Assumed and Assigned**

Valeo, Inc., on behalf of itself and its affiliates (collectively, "**Valeo**"), by and through its attorneys, Honigman Miller Schwartz and Cohn LLP, for its limited objection and reservation of rights to the proposed assumption and assignment of certain executory contracts with Valeo, states as follows:

Introduction

1. On October 8, 2005 (the "**Petition Date**"), Delphi Corporation ("**Delphi**") and its affiliated debtors (collectively, the "**Debtors**") each filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code.

2. On July 10, 2009, Debtors filed their *July 10, 2009 Notice of Filing of Notices of Assumption and Assignment with Respect to Certain Executory Contracts or Unexpired Leases to be Assumed and Assigned to Parnassus Holdings II, LLC under Modified Plan of*

Reorganization (the “**First Assignment Notice**”), which indicates that Debtors intend to assume and assign to Parnassus Holdings II, LLC certain contracts identified on the attached **Exhibit A** (the “**Parnassus Assigned Contracts**”) between Valeo and the Debtors. The proposed cure amount is \$0.00.

3. Also on July 10, 2009, Debtors filed their *July 10, 2009 Notice of Filing of Notices of Assumption and Assignment with Respect to Certain Executory Contracts or Unexpired Leases to be Assumed and Assigned to GM Components Holdings, LLC or Steering Solutions Services Corporation, As Applicable, Under Modified Plan of Reorganization* (the “**Second Assignment Notice**,” and together with the First Assignment Notice, the “**Assignment Notices**”), which indicates that Debtors intend to assume and assign to GM Holdings, LLC or Steering Solutions Services Corporation certain contracts identified on the attached **Exhibit B** (the “**GM Assigned Contracts**,” and together with the Parnassus Assigned Contracts, the “**Valeo Contracts**”) between Valeo and the Debtors. The proposed cure amount is \$0.00.

Limited Objection

4. Valeo objects to the Assignment Notices to the extent that they do not adequately identify the Valeo Contracts to be assumed and assigned. Additionally, Valeo only recently received the Assignment Notices and has not yet been able to identify the executory contracts proposed to be assumed, and has not yet been able to confirm the exact cure amounts due. Valeo seeks clarification from the Debtors as to the identification of those Valeo Contracts that the Debtors seek to assume as well as the associated cure amounts.

5. Valeo objects that the First Assignment Notice and the Second Assignment Notice both purport to provide notice of the assumption and assignment of the same executory contracts with Valeo Raytheon Systems, Inc.

6. Valeo objects that the Assignment Notices are unclear because, without limitation, Valeo Raytheon Systems, Inc. is now known as Valeo Radar Systems, Inc. and there is no legal entity known as “Valeo Electrical Systems EFT Airflow Division.”

7. Valeo reserves the right to supplement this objection and take other appropriate action, if needed, once the Debtors have clarified the identity of the Valeo Contracts that the Debtors seek to assume, as well as the associated cure amounts, and upon completion of Valeo’s investigations regarding the identity of the Valeo Contracts.

8. Valeo expressly reserves, and does not waive, all of its rights and defenses to the Debtors’ proposed assumption, cure, and assignment of the Valeo Contracts. Valeo reserves all of its rights related to any executory contracts between Valeo and the Debtors, including its right to assert cure amounts if any such contracts are subject to assumption and/or assignment by the Debtors, and to take other actions permitted by law or in equity with respect to such contracts.

Accordingly, Valeo respectfully requests that the Court direct the Debtors to specifically identify those contracts being assumed and assigned, to confirm the associated cure amounts for those contracts, and grant such other further relief as is just and proper.

Honigman Miller Schwartz and Cohn LLP
Counsel for Valeo

Dated: July 20, 2009

By: /s/ E. Todd Sable
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EXHIBIT A

Schedule 1 – Supplier Contracts

[illegible]

¹ The cure amounts, if any, relating to contracts noted with "*" are currently disputed pursuant to the procedures set forth in the Confirmed Plan and the December 10 Solicitation Procedures Order.

Schedule 2 – Other Executory Contracts Or Unexpired Leases
(Including Customer Contracts)

Unless identified as a rejected contract or lease pursuant to Article VIII of the Modified Plan, the contracts and leases primarily relating to the Debtors' Steering business, including, but not limited to, (a) business conducted at the manufacturing facility in Saginaw, Michigan and (b) the contracts and leases listed on this Schedule will be assumed by the Debtors and assigned to Steering Solutions Services Corporation. In addition, unless identified as a rejected contract or lease pursuant to Article VIII of the Modified Plan, contracts and leases primarily relating to business conducted at the following manufacturing facilities of the Debtors, including, but not limited to, the contracts and leases listed on this Schedule, will be assumed by the Debtors and assigned to GM Components: Grand Rapids, Michigan; Rochester, New York (excluding the Henrietta technical center); Kokomo, Indiana (including the Cuneo Warehouse, and including the technical center); and Lockport, New York (including the technical center).

<u>Non-Debtor Counterparty</u>	<u>Applicable Manufacturing Facility</u>	<u>Contract(s)</u>	<u>Cure Amount (If Any)¹</u>	<u>Rejected Contracts (If Any)</u>
VALEO CLIMATE CONTROL	DELPHI P PAST SERVICE PARTS	06-012128	\$0.00	
VALEO CLIMATE CONTROL	DELPHI P PAST SERVICE PARTS	06-012132	\$0.00	
VALEO CLIMATE CONTROL	DELPHI P PAST SERVICE PARTS	10003	\$0.00	
VALEO CLIMATE CONTROL	DELPHI P PAST SERVICE PARTS	10003	\$0.00	
VALEO CLIMATE CONTROL	DELPHI P PAST SERVICE PARTS	20004	\$0.00	
VALEO CLIMATE CONTROL	DELPHI P PAST SERVICE PARTS	20004	\$0.00	
VALEO CLIMATE CONTROL	DELPHI P PAST SERVICE PARTS	2004	\$0.00	
VALEO CLIMATE CONTROL	DELPHI P PAST SERVICE PARTS	30020087	\$0.00	
VALEO CLIMATE CONTROL	DELPHI P PAST SERVICE PARTS	30020206	\$0.00	
VALEO CLIMATE CONTROL	DELPHI P PAST SERVICE PARTS	30020232	\$0.00	
VALEO CLIMATE CONTROL	DELPHI P PAST SERVICE PARTS	30020234	\$0.00	
VALEO CLIMATE CONTROL	DELPHI P PAST SERVICE PARTS	710003	\$0.00	
VALEO CLIMATE CONTROL	DELPHI P PAST SERVICE PARTS	710004	\$0.00	

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<u>Non-Debtor Counterparty</u>	<u>Applicable Manufacturing Facility</u>	<u>Contract(s)</u>	<u>Cure Amount (If Any)¹</u>	<u>Rejected Contracts (If Any)</u>
VALEO SYLVANIA LLC	DELPHI P PAST SERVICE PARTS	06-012128	\$0.00	
VALEO SYLVANIA LLC	DELPHI P PAST SERVICE PARTS	06-012130	\$0.00	
VALEO SYLVANIA LLC	DELPHI P PAST SERVICE PARTS	06-012131	\$0.00	
VALEO SYLVANIA LLC	DELPHI P PAST SERVICE PARTS	06-012132	\$0.00	

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<u>Non-Debtor Counterparty</u>	<u>Applicable Manufacturing Facility</u>	<u>Contract(s)</u>	<u>Cure Amount (If Any)¹</u>	<u>Rejected Contracts (If Any)</u>
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	06-012128	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	06-012132	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	10003	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	10003	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P CHIHUAHUA I	10004	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	10004	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	10004	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	10004	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	10004	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	10004	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	20002	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	20002	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P CHIHUAHUA I	20004	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	20004	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	20004	\$0.00	

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<u>Non-Debtor Counterparty</u>	<u>Applicable Manufacturing Facility</u>	<u>Contract(s)</u>	<u>Cure Amount (If Any)²</u>	<u>Rejected Contracts (If Any)</u>
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	2004	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P CHIHUAHUA I	30003	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	30003	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	30003	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	30003	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	30003	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	30020087	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	30020206	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	30020232	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	30020234	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P CHIHUAHUA I	4600000289	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P CHIHUAHUA I	4600000289	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P CHIHUAHUA I	4600000289	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P CHIHUAHUA I	4600000289	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P CHIHUAHUA I	5500000279	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P CHIHUAHUA I	5500002005	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P CHIHUAHUA I	5500002046	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P CHIHUAHUA I	5500002305	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P CHIHUAHUA I	5500002600	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P CHIHUAHUA I	5500002602	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P CHIHUAHUA I	5500002705	\$0.00	
VALEO ELECTRICAL SYSTEMS INC	DELPHI P PAST SERVICE PARTS	710003	\$0.00	

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VALEO RAYTHEON SYSTEMS, INC.	E&S	All contracts between VALEO RAYTHEON SYSTEMS, INC. and Delphi related to intellectual property.	\$0.00	

¹ The cure amounts, if any, relating to contracts noted with "*" are currently disputed pursuant to the procedures set forth in the Confirmed Plan and the December 10 Solicitation Procedures Order.

EXHIBIT B

Schedule 1 – Supplier Contracts

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VALEO SYSTEMES DE CONTROLE MOTEUR	DELPHI D KOKOMO PLANT 6,7,8,9	8800505002	\$0.00	
VALEO SYSTEMES DE CONTROLE MOTEUR	DELPHI D KOKOMO PLANT 6,7,8,9	PEX 9200632713	\$0.00	
VALEO SYSTEMES DE CONTROLE MOTEUR	DELPHI D KOKOMO PLANT 6,7,8,9	PEX 9200633732	\$0.00	

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